

# TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL

FOR: HEALTH CARE FINANCING ADMINISTRATION

1. TRANSMITTAL NUMBER:

02-22

2. STATE:

Missouri

3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL  
SECURITY ACT (MEDICAID)

4. PROPOSED EFFECTIVE DATE

July 1, 2002

TO: REGIONAL ADMINISTRATOR  
HEALTH CARE FINANCING ADMINISTRATION  
DEPARTMENT OF HEALTH AND HUMAN SERVICES

5. TYPE OF PLAN MATERIAL (Check One):

☐ NEW STATE PLAN

☐ AMENDMENT TO BE CONSIDERED AS NEW PLAN

☒ AMENDMENT

COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment)

6. FEDERAL STATUTE/REGULATION CITATION:

CFR 42

7. FEDERAL BUDGET IMPACT:

a. FFY 2002 \$0

b. FFY 2003 \$0

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:

Attachment 4.19B, page 8

9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION  
OR ATTACHMENT (If Applicable):

Attachment 4.19B, page 8

10. SUBJECT OF AMENDMENT: Allows FQHCs to receive grants from the Missouri Primary  
Care Association without those grants being offset against FQHC costs. Any  
fiscal impact cannot be determined until FQHC cost reports which include these  
grants begin being settled in federal fiscal year 2004.

11. GOVERNOR'S REVIEW (Check One):

☒ GOVERNOR'S OFFICE REPORTED NO COMMENT

☐ COMMENTS OF GOVERNOR'S OFFICE ENCLOSED

☐ NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

☐ OTHER, AS SPECIFIED:

*none* *Murphy*

12. SIGNATURE OF STATE AGENCY OFFICIAL:

13. TYPED NAME:

Dana Katherine Martin

14. TITLE:

Director

15. DATE SUBMITTED:

7/31/02

16. RETURN TO:

*Missouri (02-22)*

*Approved: 10/22/02*

*Effective: 07/01/02*

FOR REGIONAL OFFICE USE ONLY	
17. DATE RECEIVED	18. DATE APPROVED
07/01/02	07/01/02
PLAN APPROVED - ONE COPY ATTACHED	
19. EFFECTIVE DATE OF APPROVED MATERIAL	20. SIGNATURE OF REGIONAL OFFICIAL
07/01/02	<i>Carol McFarlane</i>
21. TYPED NAME	22. TITLE
Thomas H. Lenz	Acting Regional Administrator
23. REMARKS	
<p>Submitted 7/31/02</p> <p>Received 8/1/02</p>	

Rev. 7/2002

State MissouriFederally Qualified Health Center (FQHC) Services (cont.)

- (A) Grants, gifts and income from endowments will be deducted from total operating cost, with the following exceptions:
1. Public Health Service Grants under Sections 329, 330 or 340 of the Public Health Services Act; and
  2. Grants received from the Missouri Primary Care Association (MPCA) in accordance with contractual agreements between the Division of Medical Services and MPCA;)
- (B) The value of services provided by non-paid workers, including members of an organization having an agreement to provide those services;
- (C) Bad debts, charity and courtesy allowances; and
- (D) Return on equity capital.
- (4) Interim Payments.
- (A) FQHCs shall be reimbursed on an interim basis, up to ninety-seven percent (97%) of their charges for covered services billed to the Medicaid program. Interim billings will be processed in accordance with the claims processing procedures for the applicable programs.
- (B) An FQHC in a Medicaid managed care (MC+) region shall be eligible for supplemental reimbursement of up to ninety-seven percent (97%) of MC+ charges. This reimbursement shall make up the difference between ninety-seven percent (97%) of the FQHC's MC+ charges for a reporting period, and payments made by the MC+ health plans to the FQHC for covered services rendered to MC+ patients during that period. The supplemental reimbursement shall occur pursuant to the schedule agreed to by the division and the FQHC, but shall occur no less frequently than every four (4) months. Supplemental reimbursement shall be requested on forms provided by the division. Supplemental reimbursement for MC+ charges shall be considered interim reimbursement of the FQHC's Medicaid costs.
- (5) Final Settlement.
- (A) An annual desk review will be complete following submission of the Medicare cost report (HCFA-242) and supplemental Missouri Medicaid schedules. The Division of Medical Services will make an additional payment to the FQHC when the allowable reported Medicaid costs exceed interim payments made for the cost reporting period. The FQHC must reimburse the division when its allowable reported Medicaid costs for the reporting period are less than interim payments.
- (B) The annual desk review will be subject to adjustment based on the results of a field audit which may be conducted by the division or its contracted agents.

State Plan TN# 02-22  
Supersedes TN# 01-04

Effective Date 07/01/02  
Approval Date OCT 22 2002